

## EXHIBIT L

CHAITMAN LLP  
Helen Davis Chaitman  
465 Park Avenue  
New York, New York 10022  
(908) 303-4568  
hchaitman@chaitmanllp.com  
*Attorneys for Defendants listed on  
Exhibit A annexed hereto*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

SECURITIES INVESTOR PROTECTION  
CORPORATION,

Plaintiff-Applicant,

v.

BERNARD L. MADOFF INVESTMENT  
SECURITIES LLC,

Defendant.

In re:

BERNARD L. MADOFF,

Debtor.

IRVING H. PICARD, Trustee for the Liquidation of  
Bernard L. Madoff Investment Securities LLC

Plaintiff,

v.

DEFENDANTS LISTED ON EXHIBIT A HERETO,

Adv. Pro. No. 08-1789 (SMB)

SIPA LIQUIDATION

(Substantively Consolidated)

Adv. Pro. No. 10-xxxxx (SMB)

I, Steve Maslow, declare, pursuant to 28 U.S.C. § 1746, as follows:

1. From 1985 – 1999, I worked at Bear, Stearns & Co. Inc., eventually becoming a Managing Director/Principal. I have been informed that the Trustee, Irving H. Picard, has taken the position that Bernard L. Madoff never did any actual securities trades through either his sole

proprietorship or, after January 2001, through Bernard L. Madoff Investment Securities LLC (together “Madoff”). This is preposterous.

2. As part of my responsibilities, I was a liaison officer between Bear Stearns Securities Corporation (“BSSC”), our clearing and trade processing subsidiary, and its correspondent clearing firms.

3. BSSC was one of the largest securities lenders in the United States because of its convertible securities arbitrage and other margin lending activities in which firms like Madoff engaged. In my years at Bear Stearns, the firm accounted for daily trading volume equal to 4 – 7 ½ % of the daily volume on the New York Stock Exchange. Like Madoff, Bear Stearns was a market maker and, although it conducted trades on the New York Stock Exchange, much of its trading activity was “over-the-counter” on other exchanges, especially the NASDAQ, in which Bernard Madoff reportedly owned a significant stake (reportedly 10%). For a period of time, Bernard Madoff was the President of the NASDAQ.

4. To the best of my recollection, during the entire period of time from 1985 – 1999, Madoff did a huge amount of business with BSSC, all of which involved the trading of real securities.

5. It was general knowledge in the industry that Madoff was a huge market maker in NASDAQ (“over-the-counter”) securities. It was reported at one time in the 1990s by the Wall Street Journal that Madoff’s trading operations were equivalent to about 9 % of the daily trades done on the New York Stock Exchange and this was consistent with my understanding.

6. The transactions we did with Madoff were entirely legitimate and I had no knowledge that Madoff engaged in any illegal activity. On the contrary, he was esteemed as a

leader in the modernization of the stock market and was deeply respected by the Securities & Exchange Commission and other industry leaders.

7. I understood that Madoff paid Bear Stearns a fee to set up the firm's automated entry system (the "NMX") so that it would default to Madoff's over-the-counter trading operation. In other words, other things being equal, most of Bear Stearns's over-the-counter trades would be directed to Madoff's operations. As a result of this default setting, Bear Stearns was the largest, or one of the largest, counterparties to Madoff's broker-dealer operations. The system was in place when Bear Stearns collapsed in 2008 and, as reported in the press, continued under JPMorgan Chase, which took over Bear Stearns' operations in 2008.

8. I declare under penalty of perjury that the aforesaid statements are true and correct.

May 11, 2017



Steve Maslow